

DCOR, LLC 290 Maple Court, Suite 290 Ventura, Ca 93003

January 12, 2016

Ms. Maryam Taidy Engineering Geologist Regional Water Quality Control Board 320 W. 4th St. Suite 200 Los Angeles, CA 90013

Sub: Disposal of Drilling Fluids

Re.: Order 13267

Dear Ms. Maryam Taidy

This is in response to LA Water Board's letter, dated December 18, 2015, addressed to Mr. Andrew Prestridge (see attached). In essence, the Water Board wants to know how we manage fluids associated with Oil and Gas Production. We, at DCOR, manage these fluids by transporting them offsite in vacuum trucks to regulated disposal facilities. Since its inception, DCOR has never discharged any oil production fluids to land. Further, please see below for the description of each surface sump located at our various facilities:

- Hopper Canyon
 - 1. Two 64 Sq. Ft. Surface Sumps: These two sumps were made of concrete, and meant to store Waste Oil/Produced Water. These were located in the tank farm area. After the recent explosion at the facility, these two have been filled with native dirt and abandoned.
- Temescal Field
 - 1. Waste Water Sump (covered), 30"X72": This sump, made of steel, was used to store waste water and it has since been moved offsite.
- Mandalay Onshore Facility:
 - 1. 25 Sqft Surface Sump: This concrete sump, with a steel lid, is used to store rain water/washout water. It is located inside the Heater Treater Pit.

2. 9 Sqft Surface Sump: This concrete sump, with a steel lid, is used to store rain water/washout water. It is located inside the Heater Treater Pit.

Rincon Onshore Facility

- 1. 5000 Barrels Produced Water Tank: This tank, which is made of steel, is used for storing produced water. This is located in the water plant area at the upper level of the facility
- 2. 480 sqft surface sump (12'X40'): This sump, made of concrete with steel roof, accumulates various process drains. Located at the upper level, adjacent to water plant.
- 3. 1320 sqft surface sump (12'X110"): This sump, which is made of concrete with steel top, is meant for an emergency use only, such as to store storm water. Located at lower level of the facility.
- 4. 36 sqft surface sump: This sump, which is made of concrete with steel roof, accumulates lower level process drains. Located at the lower level.
- 5. 108 sqft surface sump (12'X12") Horseshoe: This sump, made of concrete with steel top, accumulates offshore pipeline's pig receiver drain.. Located at the lower level pig receiver area.
- 6. 25 sqft surface sump (5'X5"): This sump, made of concrete with steel top, accumulates lower level process drains from "Horseshoe" sump
- 7. 15 sqft surface sump (3'X5'): This sump, made of concrete with steel top, accumulates drains from 3000BBLs LACT tanks. Located in the LACT area at the upper level.

Further, please see below our answers to each of the 9 questions (per 13267 order) that constitute part of this technical report.

Q1. The locations of all current and historic sumps in your area of operations used in the discharge of fluids to land.

Answer: Rincon Onshore Facility, Mandalay Onshore Facility, Temescal oilfield and Hopper Canyon oilfield have neither any current nor historic sump in their areas of operations for discharge of fluids to land

Q2. The procedure you use to close or abandon sumps or otherwise cease their operation.

Answer: NA

Q3. The estimated total annual amount of fluid previously discharged into each historic and active sump, and estimated annual amount of fluid to be discharged to active sumps going forward.

Answer: NA

Q4. The Physical and chemical composition of any fluids discharged into each sump:

Answer: NA

Q5. The physical and chemical composition of any solidified waste in each sump.

Answer: NA

Q6. The location of any domestic, municipal and commercial water wells within a half-mile radius of any current or historical sump.

Answer: NA

Q7. Historic water quality data available for any wells within a halfmile radius of any current or historic sump.

Answer: NA

Q8. Current sampling results for any wells within half-mile radius of any current or historic sump.

Answer: NA

Q9. Locations, well construction, and survey data for any monitoring wells in the vicinity of any current or historic sumps, and water quality data associated with these wells.

Answer: NA

If you have any question or require anything further, please don't hesitate to let me know.

Regards,

Sincerely,

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